



William A. Bonnet Vice President Government & Community Affairs

3C SKD/LK BC BC/RVD/JN SI/CL LYK/BP BGK

November 19, 2007

The Honorable Chairman and Members of the Hawaii Public Utilities Commission 465 South King Street Kekuanaoa Building, First Floor Honolulu, Hawaii 96813

Dear Commissioners:

Subject: Docket No. 2006-0387

MECO 2007 Test Year Rate Case

Request to Suspend Procedural Schedule

This is to inform the Commission that the parties in this proceeding – Maui Electric Company, Limited ("MECO" or "Company") and the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs ("Consumer Advocate") – have reached verbal settlement of all revenue requirement issues in MECO's 2007 test year rate case. As a result, MECO respectfully requests the Commission to suspend the remaining steps in the procedural schedule specified in Order No. 23496 (which would include suspending the filing of the Company's rebuttal testimony which was scheduled to be filed on November 19, 2007), pending the filing of settlement letters executed by MECO and the Consumer Advocate. The parties will endeavor to file the settlement letter as soon as possible. The Company anticipates that the parties will first file a settlement letter resolving all revenue requirement issues in this proceeding, to be followed by a second settlement letter to resolve the remaining rate design issues, and a stipulation regarding the need for evidentiary hearings and the timing of the filing of briefs. MECO will also file a statement of probable entitlement upon execution of the revenue requirement settlement letter. The Consumer Advocate concurs with this request.

Very truly yours,

cc: Division of Consumer Advocacy